

## Syllabus

[cmcd.economia@fgv.br]

**Course: Macroeconomics II**

**Professor:**

### 2018 FIRST SEMESTER

#### PROGRAM

The course cover topics in Labor, Monetary and Financial Economics.

#### BIBLIOGRAPHY

Textbooks:

Romer, "Advanced Macroeconomics"

Ljungqvist and Sargent, "Recursive Macroeconomic Theory"

Papers:

Adrian and Shin, "Liquidity and Leverage", Journal of Financial Intermediation, 2010

Allen and Gale, "Financial Contagion", Journal of Political Economy, 2000

Brunnermeier and Pedersen, "Market Liquidity and Funding Liquidity", Review of Financial Studies, 2009

Buera, Kaboski and Shin, "Finance and Development: a Tale of Two Sectors", American Economic Review, 2011

Dang, Gorton, Holmstrom and Ordoñez, "Banks as Secret Keepers", American Economic Review, 2017

Diamond and Dybvig, "Bank Runs, Deposit Insurance and Liquidity", Journal of Political Economy, 1983

Fostel and Geanakoplos, "Leverage Cycles and the Anxious Economy", American Economic Review, 2009

Gopinath, Kalemli-Ozcan, Karabarbounis and Villegas-Sanchez: "Capital Allocation and Productivity in South Europe", Quarterly Journal of Economics, 2017

Gorton and Ordoñez, "Collateral Crises", American Economic Review, 2014

Gorton and Pennacchi, "Financial Intermediaries and Liquidity Creation", Journal of Finance, 1990

Kiyotaki and Moore, "Credit Cycles", Journal of Political Economy, 1997

Kiyotaki and Wright, "A Search Theoretic Approach to Monetary Economics", American Economic Review, 1993

Lagos and Wright, "A Unified Framework for Monetary Theory and Policy Analysis", Journal of Political Economy, 2005

Lorenzoni, "Inefficient Credit Booms", Review of Economic Studies, 2009

Martin and Ventura, "Economic Growth with Bubbles", American Economic Review, 2012

Mendoza, "Sudden Stops, Financial Crises and Leverage", American Economic Review, 2010

Shapiro and Stiglitz, "Equilibrium Unemployment as a Worker Discipline Device", American Economic Review, 1984

Schularick and Taylor, "Credit Booms Gone Bust: Monetary Policy, Leverage Cycles, and Financial Crises, 1870-2008" American Economic Review, 2012

Song, Storesletten and Zilibotti, "Growing like China", American Economic Review, 2011

Tirole, "Asset Bubbles and Overlapping Generations", Econometrica, 1985

#### GRADING

Final exam worth 100%.

#### PROFESSOR - EMAILS

**DETAILED PROGRAM**

<b>Frictions in labor markets: unemployment</b>	Efficiency wage	Shapiro and Stiglitz; Romer
	Search model in labor market	LS;
	Search and match in labor market	LS; Romer
<b>Financial frictions: money and liquid debt</b>	Search models of money	Kiyotaki and Wright; Lagos and Wright; LS
	Liquidity creation and bank runs	Diamond and Dybvig;
	Liquidity and financial contagion	Allen and Gale
	Information and liquidity creation	Gorton and Pennacchi; Dang, Gorton, Holmstrom and Ordoñez
<b>Financial frictions: collateral and leverage</b>	Collateral constraints	Kiyotaki and Moore; Mendoza
	Leverage and crisis	Adrian and Shin; Brunnermeier and Pedersen
	Financial constraints and misallocation	Buera, Kaboski and Shin; Song, Storesletten and Zilibotti
<b>OLG and rational bubbles</b>	Overlapping Generations	Romer Ch. 2
	Rational bubbles	Tirole; Martin and Ventura
<b>Inefficient credit booms</b>	Credit booms and crises	Schularick and Taylor; Lorenzoni; Gorton and Ordoñez
	Credit booms and misallocation	Gopinath, Kalemli-Ozcan, Karabarbounis and Villegas-Sanchez
	PROVA FINAL	